

JACKSONVILLE HOUSING FINANCE AUTHORITY



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Board of Directors Meeting

MINUTES

OF

REGULAR MEETING

August 10, 2022

August 10, 2022: JHFA Board Meeting
Noon
Ed Ball Building

BOARD MEETING:

Present at the meeting were:

BOARD MEMBERS

Barney Smith, Chair
Nadine Carswell, Secretary
Dee Bumbarger
Jeff Rosen
Matt Swanson

PROFESSIONAL STAFF:

Susan Leigh, Community Concepts Group, Financial Advisor
Rhonda Bond-Collins, Bryant Miller Olive, Bond Counsel
David Rothman, Bryan Miller Olive, Bond Counsel
Helen Feinberg, RBC Capital Markets, Investment Banker
Joelle Dillard, City of Jacksonville Office of General Counsel
Lawsikia Hodges, City of Jacksonville Office of General Counsel
Tomeshia Harman, BNY Mellon

CITY STAFF:

Tom Daly, Chief, Housing and Community Development Division
Melody Duncan, Executive Assistant to Tom Daly
Adebisi Okewusi, Director of Finance, Housing and Community Development Division
Teresa Curtis, Credit Compliance and Finance Manager

PUBLIC

Mike Langton, L.B. Jax Development LLC
Ely Banks, The Richman Group
Kevin Troup, Vestcor
J. Woodfaulk, Jr.
Andy Fink, Ability Housing

BOARD MEETING

Chairman Smith called the meeting to order at 12:01 pm.

Establishment of Quorum Via Roll Call

Chairman Smith stated for the record that a quorum of the Board was physically present at the meeting location, with five members physically present.

Minutes

Ms. Carswell moved, with a second by Mr. Rosen, that the **Board approve the minutes of the May 18, 2022, Board meeting.** The motion passed 5-0.

Public Comments

There were no public comments from the public present or written.

JHFA Financials

Mr. Daly updated the Board on the July 31, 2022, JHFA financial statements.

Board Member Conflicts

No Board member reported a conflict.

Single Family Bonds

Ms. Bond-Collins presented information to the Board on the Single Family Bond Allocation and process. She stated that for 2022 \$100 million was requested in Single Family Bonds and the entire regional allocation has been granted, with the remainder pending. Ms. Bond-Collins stated that to apply for 2023 bond allocation a single family TEFRA approval is required and that she had drafted a Resolution approving \$100 million for single family. Ms. Bond-Collins explained this can be later converted to multi-family bonds. After discussion, Mr. Swanson moved, with a second by Ms. Carswell, **that the Board approve the Resolution for \$100 million in Single Family Bonds.** The Resolution was approved 5-0.

NOFA/Application for 2023 Bonds

Ms. Leigh explained that a NOFA for 2023 Multi-Family Bonds is required and that the proposed NOFA and Application were provided to the Board, with a December 1, 2022, due date with no other changes from last year. Ms. Bumbarger confirmed the deadline the application being due is 5:00 PM EST. After discussion, Ms. Carswell moved, with a second by Mr. Swanson, **that the Board approve the publication of the NOFA and Application for 2023 Multi-Family Bonds.** The motion was approved 5-0.

Pine Grove Bond Issuance

Ms. Bond Collins informed the Board that Pine Grove Apartments is scheduled to close August 12, 2022 with a requested issuance of bonds in an amount not to exceed \$29,500,000. She stated that the credit underwriting is complete, and that Bond Counsel has prepared and distributed a Resolution that authorizes final approvals necessary to sell and close bonds. Ms. Bond-Collins expressed to the Board that this deal must close by August 24, 2022, because the TEFRA will expire. After discussion, Mr. Rosen moved, with a second by Ms. Carswell, **that the Board approve the Resolution authorizing final approvals to sell and close bonds for Pine Grove Apartments.** The Resolution was approved 5-0.

NOFA/Application for LGAOF

Chairman Smith explained that the Florida Housing Finance Corporation ("FHFC") moved the due date for 2022 to occur in late December and that a proposed NOFA and Application for JHFA's LGAOF selection was provided to the Board (due date November 19, 2022, with Board action scheduled for the December 7, 2022, board meeting). Ms. Leigh confirmed the changes made in the NOFA and Application are based on comments by Board members. Chairman Smith explained that some changes have been added and deleted throughout the years at the will of the Board. The Board discussed additions and deletions to the NOFA guidelines at length and added three changes to the guidelines as a result of the discussion. The Financial Advisors' recommendation was to authorize publication of NOFA and Application for LGAOF. **Mr. Rosen moved, with a second by Ms. Bumbarger, that the Board approve the NOFA and Application for LGAOF as presented, with (1) the selection criteria related to "Lift to the Neighborhood" retained, (2) the words "and the neighborhood" be inserted after "Overall quality of the site:", (3) Addition of a new selection criteria "Developments that provide maximum impact on quality of life of the residents", and (4) Addition of " including, but not limited to" after "owned by the applicant" in Management**

Problems selection criteria . The motion was approved 5-0.

NOFA/Application for Local Government Support Loans with SAIL

Chairman Smith stated that SAIL applications will be due in late December and that a proposed NOFA and Application for JHFA’s Local Government Support Loans was provided to the Board, with a due date of November 19, 2022, with Board action scheduled for the December 7, 2022, board meeting. After discussion, Ms. Carswell moved, with a second by Mr. Swanson, **that the Board approve the NOFA and Application for Local Government Support Loans with SAIL.** The motion was approved 5-0.

W.A. Knight Loan Extension

Mr. Daly explained to the Board this is a 2001 Duval County HFA loan inherited by the JHFA. He stated that the original loan amount was \$300,000 and the current balance is \$197,121.07, that the loan has been extended twice and was due in full October 31, 2021. Mr. Daly stated that the owner requested an extension to October 31, 2026, at which time the loan would be paid in full, and that the owner has offered to make a \$50,000 principal reduction payment upon extension and increase the monthly principal and income payments from \$1,500 to \$2,500. Ms. Carswell asked Mr. Daly to confirm that the \$1,500 payment has been paid every month and that the owner approached the JHFA prior to the deadline. Ms. Bumbarger asked for confirmation that the loan end date and that this is the third extension. Chairman Smith confirmed that loan will have a balloon payment and be paid in full in 2026. After discussion, Mr. Rosen moved, with a second by Mr. Swanson, **that the Board approve the extension with the terms presented and authorizing the Chair to sign loan documents.** The motion was approved 5-0.

Beachwood LURA Amendment

Ms. Leigh stated that the LURA for this development required gated entrances to the property that require an access card. She explained that there are four entrances, one of which has been closed and that the owner is requesting that one entrance be a gated and carded entrance and exit, one be an automatic gated exit only, and a third have a gate that can be opened on an emergency basis. Bond Counsel presented a prepared Resolution approving the request. Ms. Carswell expressed she is concerned with safety and confirmed that there is an exception for opening gates during emergencies. After discussion, Mr. Rosen moved, with a second by Mr. Swanson, **that the Board approve the Resolution amending the LURA for Beachwood Apartments as presented by Bond Counsel.** The Resolution was approved 5-0.

Lofts at San Marco East Unit Mix Change

Ms. Leigh stated that the developer has requested a change in the unit mix, that unit mix was not a selection criteria, and the total number of units will remain at 172. She stated that the change would add eight efficiency units, while reducing one-bedroom by two units, two-bedroom by four units, and three-bedroom by two units. Ms. Bumbarger asked if this change is necessary due to a market change. Mr. Troupe answered the change is a footprint/design adjustment only. After discussion, Mr. Rosen moved, with a second by Mr. Swanson, **that the Board approve the request by the developer to change the mix of units.** The motion was approved 5-0.

Vestcor Annual Recertification of Income

Ms. Bond-Collins explained that Vestcor has been providing the annual recertification of income of tenants at their JHFA properties, which is not required by IRS rules, and after the first recertification the resident is not required to vacate a unit if their income increases. The owner has requested that JHFA consent to a waiver to the full annual recertification. After discussion, Ms. Carswell moved, with a second by Ms. Bumbarger, **that the Board approve the request by the developer that after the first recertification is made, annual recertifications are not required so long as 100% of the units in a project**

are occupied by Low Income Tenants and that the owner complies with all requirements of the IRS Code in connection with the projects. The motion was approved 5-0.

Ms. Carswell asked if a motion should be made to make this a policy across the board for all projects. **Ms. Bond-Collins stated that she will bring a resolution back to the Board at the September meeting providing for a policy change on this subject.**

Florida ALHFA Conference

Ms. Leigh thanked Ms. Carswell for attending the recent FLALHFA conference. She reported that this year there were approximately 165 attendees; typically, there are 110-130 attendees. The conference next year will likely be held in Sarasota and Ms. Leigh encouraged Board members to attend.

City of Jacksonville Affordable Housing Committee

Ms. Hodges informed the Board that Councilmember Boylan has invited them to speak on the affordable housing topic at an upcoming Affordable Housing Special Committee meeting.

Meeting Request

Mr. Woodfaulk, Jr. requested a meeting with Mr. Daly to discuss two properties, 1955 Ella Street and 1043 W. 31st Street. A meeting was scheduled.

Old Business

Board members were provided with an update on the State legislative update, single family program, and existing rental properties, including the current occupancy report.

Adjournment

Without objection, Chairman Smith adjourned the meeting at 1:02 PM.